

# The **CREDIT UNION BRIDGE**

THE WAY TO ECONOMIC BETTERMENT



National directors voting at CUNA elections.  
A. P. Quinton and Earle Reed, both of Ontario, with J. R. DeLay of Georgia.

Official Publication

July, 1956

Credit Union National Association



**"The world is my country,  
all mankind are my brethren,  
and to do good is my religion."**



*At the opening of the 1956 National Board meeting on May 12 in Milwaukee, C. W. Hudson read the following prose in line with the above meeting theme, taken from the writings of Thomas Paine.*

"This great earth, this ancient planet green with foliage and blue with salt water, this rolling globe thinly coated with soil which man scratches for his food; this spacious prehistoric world now contains no human inhabitant farther from you or me than 24 hours. Thanks to the jet engine, the trip from San Francisco to Capetown takes 24 hours. It is 24 hours from the mouth of the Amazon to Borneo.

"A century ago, when men called the world their country, they were moved by philanthropy, a vision, by a generous expanse of spirit. Today, when the world has become too small for its hungry and quick-tempered population, the voice that tells us we must help each other no longer whispers softly and intermittently. It thunders like a jet engine, it blasts like a hydrogen bomb. Human inventiveness has led two billion human beings into a corner, where there is no choice but to help each other or to perish.

"When Roy F. Bergengren and Thomas W. Doig died, they left behind them a living monument such as few men achieve. They were the kind of men who get things done. Different in character though they were, they were alike in their singlemindedness and unflagging energy. They lived entirely for the credit union movement, and in it they still live.

"Bergengren, it might be said, was the law giver, and Doig was the organizer. Bergengren was the theorist, student and prophet; Doig, the dynamic and practical builder. Bergengren saw far; Doig saw sharply. Yet both shared the same clear vision that a credit union is moral, not economic, at base; an organization of people, not dollars. Both fought the perennial tendency to turn credit unions into dividend clubs and urged credit committees to think with their hearts. Both saw an opportunity in the credit union to create a financial institution with a soul.

"Certainly, no one who ever talked with them about credit unions has ever forgotten it. There was a contagious excitement in them. When there was despair, they sowed hope. Where there was darkness, they sowed light."



Display of the CUNA Organization and Education Department.

## AWARD WINNERS

*The following awards were made by the National Board*

### Volunteer Organizers

Winner: Keith Nosack (Utah) for organizing 14 credit unions. 2nd Place: L. P. Davis (Texas), 12 credit unions. 3rd Place: A. R. Parsons (Arizona), 6 credit unions. 4th Place: R. D. Leininger (Kentucky), 5 credit unions.

### League Plaques

Northeastern District: Rhode Island; Eastern District: West Virginia; Southern District: Puerto Rico; Canadian District: Manitoba; Central District: Indiana; Midwest District: Kansas; Western District: Arizona.

### Credit Union Day Publicity

League Winner: Ontario. Chapter Winner: Woodstock and District Chapter.

## The Credit Union Bridge

Volume 21 July, 1956 Number 5

Official Publication

Credit Union National Association

P. O. Box 431, Madison 1, Wisconsin

P. O. Box 65, Hamilton, Ontario

SUBSCRIPTION—\$2.00 A YEAR

### EXECUTIVE COMMITTEE

M. H. WIDEMAN, President	Baltimore, Md.
HENRY CLAYWELL, 1st V. Pres.	Tampa, Fla.
W. O. KNIGHT, Secretary	Sioux Falls, S.D.
R. F. WILLIAMS, Treasurer	Victoria, B.C.
H. E. WINGSTAD, Vice Pres.	Alliance, Neb.
J. A. MOORE, Vice Pres.	Pittsburgh, Pa.
L. B. KILBURN, Vice Pres.	Kensington, Conn.
J. L. THOMPSON, Vice Pres.	Winnipeg, Man.
A. J. GULLEY, Vice Pres.	Portland, Ore.
K. C. DUNCAN, Vice Pres.	Indianapolis, Ind.

### STAFF

H. B. YATES	Managing Director
J. O. SHIPE	Asst. Managing Director and Acting Business Manager
RICHARD Y. GILES	Editor
E. R. BRANN	Asst. Editor
CHARLES C. COMPTON	Associate Editor

### ADVERTISING RATES ON APPLICATION

All subscriptions received before the 15th of the month start automatically with the issue of the current month; all those received after the 15th of the month start with the following month. To insure prompt delivery of The Credit Union Bridge, when the change your mailing place and in a postpaid with your latest address as well as your new address. When sending in a single subscription or a group of subscriptions, The Credit Union Bridge would appreciate it if you would mark all renewal subscriptions conspicuously with the word "renewal".

The Credit Union Bridge is published monthly by the Credit Union National Association, Inc., at 1028 E. Washington Avenue, Madison 3, Wisconsin. ADDRESS THE EDITORIAL OR BUSINESS OFFICE AT P. O. BOX 431, MADISON 1, WISCONSIN.

Entered as second-class matter January 26, 1951 at the post office at Madison, Wisconsin under the act of March 3, 1879. Copyright 1956 by the Credit Union National Association, Inc. Subscriptions more are single copies at 20c and yearly subscriptions at \$2.00.

Member of Co-op Editorial Assn.,  
Wisconsin Industrial Editors Assn.,  
and National Council of Industrial Editors



The Credit Union Bridge



President Wideman of CUNA



President Farr of CUNA Mutual



President Nixon of CUNA Supply

BELOW: Delegates during National Board meeting. BOTTOM: Visitors attending Executive Committee session.





1. Comptroller Report



2. Three Past Presidents



4. CUNA Supply Election Teller



5. CUNA Mutual Election Report



3. After Meeting Confab



6. Recess



7. Prominent Visitor

## *They Were There*

TOP: (1) C. G. Hyland, CUNA Comptroller; (2) Three Past Presidents of CUNA: P. D. Holmes, William Reid, and Claude Clarke.

CENTER: (3) J. J. Girvan, Pennsylvania; W. M. Noble, Pennsylvania; G. W. Bingham, New Jersey; (4) G. G. Gudmundson, New Jersey; (5) Robert Kloss, executive secretary, Ohio Credit Union League.

BOTTOM: (6) J. P. Eagan, New York; Louis Bonderefsky, New York; B. Lipson, New York; F. J. Myers, New York; (7) Claude Orchard, retired director, Bureau of Federal Credit Unions.



# THE CREDIT UNION BRIDGE NEWSLETTER

U. S. Trends in Brief:--People are spending more money than last year, but it's not on cars or houses. New car sales are 25% behind 1955, and housing construction is well behind last year's high figure. But most retailers are selling more than a year ago: sales of grocery chains are up 12%, sales of mail order chains are up 8%, women's wear chains are up 5.7%, and variety (five and dime) report a 3.9% advance. Meanwhile, due mainly to the slump in auto sales, employment in manufacturing is somewhat off. Farm prices are on a gently rising trend. Consumer credit is standing level. The strongest feature of the economy seems to be industrial construction, which is at a record level and pumping out purchasing power.

Canadian Trends in Brief:--The consumer price index remained unchanged during May at 116.6. Wholesale prices showed a general advance during the same month. Canadian industries making chemical and allied products turned out over a billion dollars' worth of products last year, showing a gain of 12% over 1954. Biggest increases were recorded in heavy chemicals, primary plastics and fertilizers. Both exports and imports were higher in April than in the same month of any earlier year. Farm product prices at terminal markets rose 5.8% from 201.0 to 212.7 during May. Department store sales rose 8.2% in week ending May 26 as compared with year earlier; chain store sales declined 5.2% in April. Unemployment was down 21% in April from the preceding month to 135,369 from 170,687 and 12% below last year's April total of 154,260.

Eikel Named CUNA Mutual Managing Director. At its special meeting on June 16 the board of directors of the CUNA Mutual Insurance Society elected C. F. Eikel, Jr. executive vice-president and managing director. Also named to new positions were O. H. Edgerton, assistant vice-president and general manager; T. B. Benson, comptroller and assistant general manager; J. A. Colby, assistant vice-president; Henry Timme, assistant secretary; and R. T. Peterson, assistant secretary.

CUNA Mutual Supervisors of six departments have been up-graded as managers--Ralph Peterson, Underwriting; Kenneth Jones, Claims; Esther Lunder, Group Accounting; Julius M. Sparkman, Group Sales; Peter Lapcewich, Individual Sales; Richard Terrell, Investments. T. Wysocki has been named Actuary.

National Advertising Program will terminate September 1. CUNA Mutual management has asked the Credit Union National Association to agree to drop the national advertising program which has been appearing in Life, Readers Digest and business publications. This will end, perhaps temporarily, the campaign which began five years ago with radio and publication advertising, supported principally by an appropriation from CUNA Mutual. Future plans are indefinite.

Examination Fees For Federal Credit Unions Reduced effective July 2, 1956, Bureau of Federal Credit Unions announces:

FCU's up to 1 year old.....	No Fee
FCU's with assets below \$25,000.....	50¢ per \$100 of assets; Min. \$25
FCU's with assets above \$25,000	
3¢ per \$100 up to \$500,000,	
plus 2¢ per \$100 up to \$1,000,000,	
plus 1¢ per \$100 over \$1,000,000,	
	plus \$44 per examiner day Min. \$125

Credit Union Author Honored:--Dr. John T. Croteau, author of the new book, "Federal Credit Unions," received the honorary degree of Doctor of Laws at the convocation at St. Joseph's University of New Brunswick, in recognition of the credit union research he has done in Canada and the United States. His book will appear July 11.

Memorial Scholarship:--In memory of its first manager and secretary, the late Harold Pocock, the Vancouver Federal Employees Credit Union has established a scholarship for students entering the University of British Columbia, who are children of members or potential members of the credit union.

New Supply Catalog Coming Out:--CUNA Supply's Catalog has been completely re-designed. The new book is now off the press. Soon it will be mailed to all United States credit unions. A Canadian edition will be distributed later from the Hamilton office.

British Honduras Credit Unions Form League:--Thirty credit unions in British Honduras registered as a league with the government on June 15, Henry Usher reports.

Ohio To Ask For Life Savings Insurance Again:--Delegates at the 22nd annual meeting of the Ohio league instructed the board of directors to re-introduce the Life Savings insurance bill in the Ohio legislature as soon as it is feasible. Some 2,800 people attended the meeting.

Guatemalan Businessman Wants Credit Unions:--The Guatemalan Secretary of the Council for Private Enterprise writes for help in organizing a credit union, saying, "The little fellow is just left behind trusting or hoping that the development and improvement of the national economy will eventually reach him." His interest was aroused by the article on the Henry Street Settlement Credit Union in Reader's Digest some time ago.

G. V. Markey, long a valued friend of the credit union movement and an employee of the Minnesota Banking Division, is retiring from state service and accepting a position with the Marquette National Bank of Minneapolis. He has written many articles on credit unions and a widely distributed pamphlet on share insurance. In a letter to H. B. Yates, he sends regards to all his friends in the movement.

Credit Union Day Plaque for best 1955 chapter publicity was presented locally to the Woodstock & District Credit Union Chapter by CUNA Mutual President G. P. Farr. The award was made during the chapter's annual meeting held in Beachville, Ontario, late in May.

Loan Repayments at New High a poll of banking and credit executives showed early in June. Fifty-five of fifty-eight executives attending the annual Consumer Credit Management Conference at Harriman, New York, said they saw no cause for worry in the current record level of consumer debt. Banks, sales finance companies and university business schools from 21 states, Canada and the District of Columbia were represented at the six-day program.

14 Texas Workshops In A Year:--Closing the books on its first year of group training June 2, the Texas Credit Union League Training Service reports 14 area Workshops for 785 credit unions in which 365 actively participated by sending 1,187 officers and employees for 8,842 classroom training hours.

Credit Union School Opens Doors to Career People from 43 Leagues:--Between 125 and 140 credit unionists are attending this year's session of the School for Credit Union Personnel, sponsored jointly by CUNA and the University of Wisconsin from July 9-21.

CUNA Supply Offers New Poster:--"Sign up now for payroll deduction" is the motif of a colorful new CUNA Supply poster. It is Form SP-8 and sells for 25¢ per poster. Additional copies ordered at the same time cost 12½¢.

S. Lauhawattana of Bangkok, Thailand, writes in response to a credit union advertisement in Reader's Digest: "I presume that your ad is intended for people in your own country only, and possibly not for a foreigner like me. However, realizing that it's not just your great 'American Tradition to work things out together' among yourselves only, but it's your present American very generous policy also to help peoples of underprivileged countries all over the world out of their difficulties, I venture to write to you for a copy of your free booklet as mentioned in your ad . . . it appears to me that your booklet can be of assistance in developing some suitable means to 'hold off the threat of money troubles' which are today demoralizing the character of a great mass of the people of my country".



FACING CAMERA: W. O. Knight, Jr., President Widerman, H. B. Yates. BACK TO CAMERA: J. Conroy.

## CUNA National Board Re-Elects Widerman President Approves Reorganization Plans

**T**he adoption of several resolutions affecting the organizational structure of the Credit Union National Association, including the establishment of a separate Education Department.

- The re-election of Melvin H. Widerman as president and most of the former members of the Executive Committee to new terms.
- Appointment of H. B. Yates as Managing Director of CUNA for the coming year.

These were the outstanding features of the annual meeting of the Credit Union National Association at Milwaukee, May 12-13.

### Lively Issues Abound

The meeting had been provided with numerous lively issues as a

result of the management consultants' report mailed to all National Directors several months previously. To a large extent, the elections and resolutions debated during the meeting hinged on the management consultants' report. A number of by-law changes were proposed, and mostly tabled. A number of resolutions were offered, and mostly adopted. In elections to the CUNA Executive Committee, the margin ran consistently 7 to 5 in favor of candidates who supported the recommendations selected from the report for action by the meeting. The only exception was the election for president. Incumbent Melvin Widerman and his opponent John L. Moore of California, ran a dead heat for two ballots, with Wider-

man pulling ahead on the third.

### Executive Committee Gets Two New Members

Two new members were elected to the Executive Committee: A. J. Gulley of Oregon, representing the Western District, and Kenneth Duncan of Indiana, representing the Central District. Others re-elected include: Henry Claywell (Florida), first vice-president; H. E. Wingstad (Nebraska), J. A. Moore (Pennsylvania), Laurence Kilburn (Connecticut), and J. L. Thompson (Manitoba). Besides Widerman as president, W. O. Knight, Jr., of South Dakota was re-elected as secretary and R. F. Williams of British Columbia was re-elected treasurer.





Voting at CUNA Annual Meeting.

### Resolutions

Among the resolutions that came before the meeting were these:

- A resolution calling for the appointment of an officer in the Credit Union National Association with the duty of supervising field services. This was adopted in two forms, one specifying that the officer be called Development Manager. The basic idea derived from the management consultants' report.
- A resolution establishing the Bonding Department apart from the office of the Comptroller and setting up a combined position of Bond Director and Office Manager. This also was adopted. Again, the basic idea came out of the management consultants' report.

- A resolution requiring collection functions in various CUNA departments to be centralized under the Comptroller. This, another management consultants' recommendation, was also adopted.

Three resolutions expressed policy judgments based on the management consultants' report.

- The first of these asserted that all employees of CUNA should be on the CUNA payroll—a rather cryptic way of saying that certain employees, chiefly field men now paid partly or wholly by CUNA Mutual Insurance Society, should be transferred to CUNA. This was adopted. But it was clearly not the kind of resolution that could be put quickly into effect, since budget

considerations would immediately interfere.

- This problem was recognized in another resolution, which called on CUNA management to work out estimates of its program, personnel and budget needs developing out of a transfer from indirect financial support by affiliates to direct dues support for all service activities. This was adopted and referred to management.

- The third policy resolution called for the writing of a constitution marking out the functions, limitations and methods appropriate to CUNA, its affiliates and the League. This ran into indecisive discussion and was referred to the Executive Committee for study.

**CUNA EXECUTIVE COMMITTEE.** Rear: H. E. Wingstad (vice-pres.), Henry Claywell (first vice-pres.), H. B. Yates (managing director), L. B. Kilburn (vice-pres.), Kenneth Duncan (vice-pres.), J. L. Thompson (vice-pres.). Front: A. J. Gulley (vice-pres.), R. F. Williams (treasurer), M. H. Wideman (president), W. O. Knight, Jr., (secretary), J. A. Moore (vice-pres.).





### Structural Change Adopted

A structural change that was recommended and adopted without any connection with the management consultants' report was the separation of organization and education into two separate departments. This was the only major by-law change that was voted by the meeting.

There were some surprises:

- A resolution was adopted calling for stiffening the rules of Volunteer Organizers Contests, adding follow-up meetings as a requirement.

- A resolution was referred to management calling for study of the possibility of setting up a cas-

ualty company to provide auto, chattel lien and bonding insurance.

- Other resolutions repudiated the concept of deposit insurance, but called for a study of alternatives. The CUNA Legal and Legislative Committee was directed to study an amendment denying members of Federal credit unions the right to raise dividends above the level recommended by directors. It was also asked to study the possibility of setting up a committee for consulting with the Bureau of Federal Credit Unions on proposed changes in regulations.

### Round-Up

Charles G. Hyland was unanimously re-elected Comptroller of

CUNA . . . Milwaukee greeted the delegates with a week of cold and rain, followed by a weekend of unseasonable heat . . . Despite the wealth of controversial issues, the meeting did not run overtime—thanks to skillful chairmanship by W. O. Knight, Jr., during the consideration of by-law amendments and resolutions. Perhaps this was one of the reasons why he was re-elected secretary without opposition. . . . The meeting voted that the World Extension Department should work out a training program for credit union fieldmen at the Institute of Cooperation, University of Puerto Rico.

## Time To Step Up Program

### Widerman Says In Annual Message

(excerpts from presidential report)

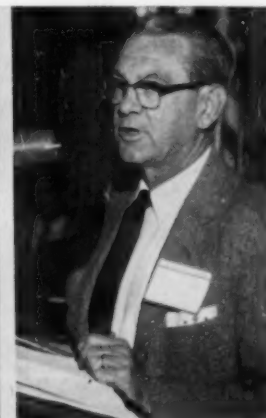
**T**housands and thousands of good, sincere people have worked hard and long to create this credit union movement. They

have drudged over their books, they have sat through countless committee meetings, they have undergone all sorts of inconvenience and both-

er, they have given freely of their time and their money—just to help their fellow men.

And they have elected us and sent

National directors in action



us here to provide certain services for them, to solve certain problems for them, above all, to give them the benefits of a united and hard working organization, full of energy, abounding with practical solutions to unusual problems, democratic to the core, alive with the moral earnestness that has always distinguished the credit union movement since the days of Raiffeisen.

This is what they want from us. It is a tremendous responsibility.

One thing I am sure we all agree on is the need for a greatly expanded educational and training program. It is hard to find qualified people to work in credit union offices, or on field staffs, or in the National offices. Few people combine credit union experience with maturity and professional training of some sort. We are not reaching enough young people fresh out of college or fresh out of high school and showing them that credit union work is a worthwhile career. We are buying people away from banks, loan companies and savings and loan associations in order to get the skills we need. This is not a healthy situation, and we as directors of the National Association are responsible for doing something about it.

BELOW: Hard working delegates fatigued after intensive convention activities.



Another thing I am sure we all agree about is the fact that we need a great deal of information we haven't got. We don't know, for example, why the rate of organization has fallen off. We don't know what can be done to keep alive the substantial number of credit unions that never really got started, the credit unions that were liquidated a year after being chartered, with only a few dollars of loans on the books. We don't know the secret of success for credit unions serving community groups, associational groups, church groups, rural groups. We don't know the comparative cost of organizing new credit unions when you do it with massive advertising support and when you do it entirely through field men. We don't know why it is hard to encourage our members to save. We don't know why it is increasingly hard to get able people to serve on our boards and committees. We don't know the answers to our auditing problems. We don't know the answer to the share insurance questions, although several leagues are courageously experimenting in this area. We need research that will give us the answers to these questions.

#### Need For Member Education

We can also agree, I think, that we need to do a better job in educating our members. Too many of them belong to a credit union without knowing what it is. Too many of them are in complete confusion about interest rates. Too many of them get deeply involved in debt before they ever think of coming to us. Even the best informed of our members are not making maximum use of the credit union. We need to tell them the story better. As our credit unions grow in size, the personal contact between officers and members grows weaker. We have to use new techniques for putting the credit union story across.

We can all agree that we need more publicity, better publications and more educational materials. We can agree that all around us there has been a tremendous increase in the advertising of easy credit terms by many lending and installment agencies and a tremendous increase in promotion by various savings institutions. If we are going to serve our members, we have to match this promotion with promotion of our own on a high professional level. As Mr. Bergengren used to say, we have to learn to be big without being biggety.

There is very little disagreement among us over all this. We only be-

gin to disagree when it becomes a question of personalities. But I think we have to remember that these questions are real questions, quite apart from personal considerations. They are questions that have to be solved. If the whole National Board and the whole CUNA staff died tomorrow, these questions would still have to be solved. They are questions on which the whole future of the credit union movement depends.

#### Organizational Structure Studied By Consultants

Last year we took an important step toward solving these problems. We voted to employ a firm of management consultants to study the organizational structure of the Credit Union National Association. The study was made and you have all received copies of the report. There were many recommendations made in the report. Your Executive Committee in February singled out the recommendations that seemed most practical and you each have a list of those recommendations.

I want to emphasize at this time that the management study made last fall touches only a few basic problems of structure and organization. It discloses some of the weak spots in our teamwork. But it does not even begin to deal with the many problems we must face once we have our basic organization running smoothly.

We must get on with the job of building an organization on the principles proper to large service organizations. CUNA is no longer small. There are serious technical problems to solve. We need technicians to solve them. We need professional men who understand law, administration, research and other specialties. We must be able to attract men of high professional standing and integrity. We want an organization in which jobs are clearly defined and rewarded. We need a program which will produce the materials and the services which will justify the financial support we receive from credit union people.

We have a golden opportunity today. The time is exactly ripe for taking the needed steps toward a mature and productive National Association, an organization fertile with ideas and achievements, able and bold in the face of our changing economy and our growing population, wise in its leadership, responsive to the appeals for assistance that now comes to us not only from our own people but from all over the free world.

# From The Managing Director

**O**UR ANNUAL MEETING is now over, and the resolutions passed by the delegates have straightened out some of the organizational problems that we have been struggling with.

## As Movement Grows So Does National Board

There are now 186 Directors of the Credit Union National Association. The number keeps growing every year as the number of credit unions increases. This means, of course, that we have to keep looking for larger halls to hold our meetings in. But I think those of us who were there must have been impressed by how smoothly we got through a complicated discussion, with many by-law amendments and resolutions to consider. Everybody had a chance to speak his mind, but we kept to the subject and got our business finished comfortably within the time allotted. Thanks for this are due to various Directors who took the chair for various items on the agenda.

The main part of the meeting, aside from elections, was concerned with resolutions affecting the service departments of CUNA. We were directed by the delegates to take steps to: 1. set up an independent education department; 2. separate our Bonding Department from the office of the Comptroller, and centralize all collections in the Comptroller's office; 3. improve the Credit Union Bridge; 4. appoint a new officer to supervise and coordinate the service departments; 5. cooperate with CUNA Supply in working out plans for a new building. Other resolutions were also adopted, as reported elsewhere in this issue; those I have listed are the ones we are most concerned with at the moment. The fact that they were adopted with little or no opposition makes it possible now for us to go ahead and develop our program. Our aim, of course, is to provide more of the educational aids and tools that have been needed for so long, and to step up the organizational record, which lately has been lagging.



H. B. Yates  
CUNA Managing Director

Establishing a separate education department will be done probably in August. This recommendation involved a by-law amendment, and it is now my duty to present a proposal to our Executive Committee in August. When they approve, we will go right ahead appointing an Educational Director and working out a program in close collaboration with the Leagues.

## J. Orrin Shipe Assistant Managing Director

It is customary for the Managing Director of the Credit Union National Association to appoint an Assistant Managing Director. After the Executive Committee named me as Managing Director for the coming year, I appointed J. Orrin Shipe as assistant. Mr. Shipe is probably known to you. He has been a hard-working credit union career man for many years, and his energy and initiative are truly remarkable. As an organizer he has a fine record, and in educational work he has many accomplishments. He has been at various times Educational Director, Editor of *The Bridge*, sales manager for CUNA Mutual, advertising manager of CUNA. I expect to see great progress under his direction.

## New Bonding Head

The Bonding Department has now been re-established along the lines voted by the Directors. The new Bonding Director is Arvin Hepler, who has been supervisor of CUNA Bonding Service for four years. We are happy to have this competent man available. He also is being assigned the duties of office manager.

A new Editor of the *Credit Union Bridge* has also been appointed. He is Richard Y. Giles, author of "Credit for the Millions" and a journalist of twenty years' experience. Before he came to work for CUNA in 1954 as copy chief in the advertising department, he was Washington Editor of "Printers' Ink", a leading trade publication. Before the war, he served until he went into military service as Associate Editor of *The Bridge*.

Philip M. Davies and Edward Kirley are now the personnel of the advertising department, with Mr. Davies as manager. Both men have had substantial advertising experience. Before the war, Mr. Davies was a university English teacher, but he has been in advertising and radio work ever since. He joined CUNA Advertising in 1954. Mr. Kirley, in his ten years in advertising agency work, has handled a number of accounts, among them the State of Wisconsin tourist program.

## Building Plans Progressing

The CUNA Supply building plans will probably be settled some time in August. Our Joint Board, which includes the boards of all three affiliates, has voted to work out a master plan for the property, evaluating the problems that will arise when foundations are put in. This job has been turned over to the architects and is proceeding. The new building as planned at present will greatly improve the efficiency and working conditions of CUNA Supply, and ought to produce some price reductions. The new CUNA Supply catalog, I understand, is making a hit; watch for your copy.



Special buses took delegates from Milwaukee to Madison to participate in CUNA Mutual election



C. F. Eikel, Jr., Acting Managing Director of CUNA Mutual

## CUNA Mutual Meeting

**N**ewly elected directors of CUNA Mutual Board are W. G. Lonergan of Washington and C. Frank Pratt of California. Re-elected to the board were J. D. N. MacDonald (Nova Scotia); Gurden P. Farr (Michigan); and W. W. Pratt (Pennsylvania). Other directors are Joseph S. DeRamus (Illinois); Moses C. Davis (Georgia); William Reid (New York); Harold Moses (Louisiana); and A. P. Quinton (Ontario).

Three officers of the CUNA Mutual Board were re-elected: Gurden P. Farr, President; Harold Moses, Vice President; and J. D. N. MacDonald, Secretary. Newly elected treasurer is A. P. Quinton.

### New Policies in Mill

When approval of the various Insurance Departments is obtained, the CUNA Mutual board of directors voted to make available the following new contracts.

**A Family Security Contract** which

combines permanent and temporary insurance protection.

### Three annuity contracts

1. Single premium installment refund annuity.
2. Single premium joint life and survivor annuity.
3. Single premium life annuity with guaranteed period for specific number of payments.

**A group contract** to insure the lives of league and credit union personnel.

**BELOW:** CUNA Mutual's New Board. Back Row: M. C. Davis, J. S. DeRamus, W. G. Lonergan, W. W. Pratt, C. F. Pratt. Front Row: W. Reid, A. P. Quinton, G. P. Farr, H. Moses, J. D. N. MacDonald.







**LEFT:** Inspector, Staff and Voters at Central District Election Desk during CUNA Mutual election, May 11, 1956.

**CENTER:** Two policyholders exercise their voting privilege.

**BOTTOM LEFT:** Carrying ballots to Filene House conference room for counting are Inspectors of Election Frank Myers (New York), Fabian Monroe (Wisconsin), and Chairman Robert Kloss (Ohio).



### Policyholders Vote

A motion was passed to reaffirm the desire of the policyholders that information concerning candidates for the Board be limited to a brochure containing their biographies.

### Magazine Advertising

The insurance coverage has increased 200% in four years, according to the CUNA Mutual Magazine Advertising Committee. The report points out the goals "By using magazines to carry our message to millions of people all over the world, we expect to gain a wider and more complete understanding of, and demand for, credit union services by a) making the public credit union-conscious; b) spurring non-member credit unions into affilia-

tion with leagues; c) encouraging credit unions to increase services to members; d) helping credit unions add to their membership; and e) encouraging organization of credit unions . . .

"Unfortunately, some groups have made serious charges concerning the best concepts of the Movement. It was felt magazine advertising could do the best public relations job for us . . . The present Tradition series is the answer, and has constituted our program for the general public during the past year."

### Wise Men Say

•• One thing I know; the only ones among you who will really be happy are those who will have sought and found how to serve. —*Dr. Albert Schweitzer.*

•• Democracy is based upon the conviction that there are extraordinary possibilities in ordinary people. —*Harry Emerson Fosdick.*

•• Deliberate with caution, but act with decision; and yield with graciousness or oppose with firmness. —*Charles Holo.*

•• I would rather have men ask why there is no statue of me than to have them ask why one was erected. —*Disraeli.*



### John L. Moore Retires From CUNA Mutual Board

JOHN L. MOORE, the only remaining director on the CUNA Mutual Board who had served since the society was formed—serving from January 27, 1935, retired on May 11, 1956. Mr. Moore first became treasurer of the East Bay Postal Credit Union of Oakland, California and later was also treasurer of the Government Service Credit Union and the Central Credit Union of California. Mr. Moore was a charter signer of the CUNA constitution and bylaws at Estes Park in 1934. He has had many responsibilities for the credit union movement and has served as president of the California League and of the CUNA Mutual Insurance Society.



**John L. Moore**



## EXHIBITS OF CUNA AT ANNUAL MEETING





## A AND AFFILIATES NG IN MILWAUKEE

FROM:

**100%  
576  
BLANKET BOND**

YOUR MEMBERS DESERVE  
THIS COMPREHENSIVE  
BONDING PROTECTION

5729-  
most  
credit union  
purchased  
**100%**  
CUNA BONDING SERVICE

agencies  
are participating...

**RETIREMENT  
SAVINGS  
FUND**

now over  
**ONE MILLION  
dollars**

**CUNA**

read about the  
**NEW  
10%  
option**

MAXIMUM CASH BENEFITS			
AGE WHEN MEMBER DIES	ANNUAL MONTHLY SALARY	ANNUAL TOTAL AT 65	ANNUAL TOTAL AT 65
25	\$100	\$1,200	\$1,200
30	\$200	\$2,400	\$2,400
35	\$300	\$3,600	\$3,600
40	\$400	\$4,800	\$4,800
45	\$500	\$6,000	\$6,000
50	\$600	\$7,200	\$7,200
55	\$700	\$8,400	\$8,400
60	\$800	\$9,600	\$9,600
65	\$900	\$10,800	\$10,800

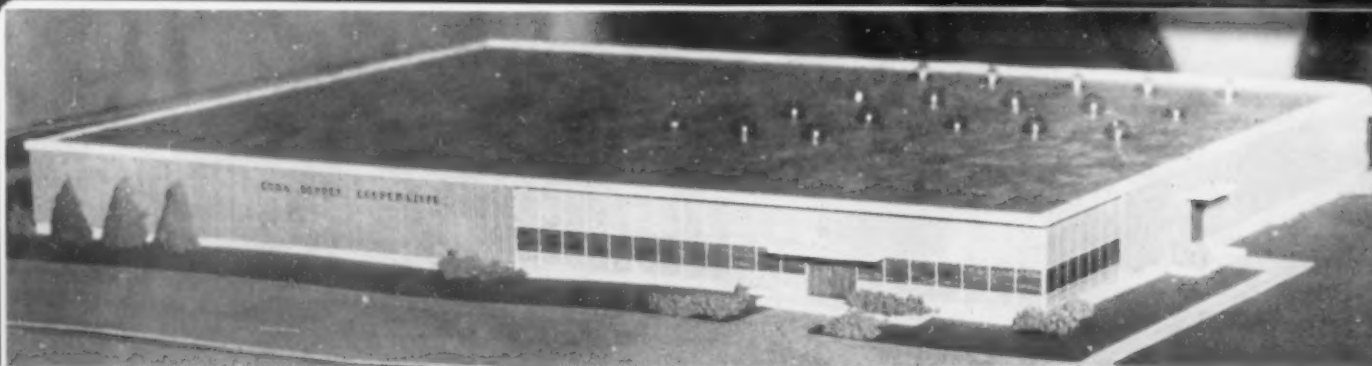
**The CREDIT UNION  
Bridge**

History of all  
CREDIT UNION  
MEMBERSHIP  
since  
1924

**BRIDGE  
HELPS  
37,432**

Officers, Commitmentmen,  
and Employees  
**DO A BETTER JOB**

Order  
Subscriptions  
FOR YOUR  
**Officers  
and Staff!**



Model of CUNA Supply's New Building

## CUNA Supply Meeting Votes \$250,000 Building

**T**hree new directors elected to the CUNA Supply Cooperative Board were: L. R. Mansfield (Washington); H. E. McArthur (Illinois); and Franklin Read (Rhode Island).

Officers re-elected were Leonard Nixon, president (Connecticut); A. J. Snell, vice president (Minnesota); M. A. Pottiger, secretary (Pennsylvania); M. A. Stepherson, Jr., treasurer (Tennessee).

Other directors are John Ryan (Quebec), and R. T. Lagerman (Colorado).

### New Building

The delegates voted to authorize the board of directors to enter into arrangements for a building to cost approximately \$250,000. A model of the proposed plant is pictured above.

Mr. Charles Woehrl, architect, pictured here, presented the plans and structural design to the membership meeting. The recommended structure will be a 27,440 square foot one story, concrete block, or a curtain wall (aluminum with insulation), air conditioned building. It will have a 14' ceiling, a front to harmonize with Filene House, a concrete slab base with tiled office floors and a steel deck roof.

### Consultants Complete Report

President Nixon reported that the work of the Management Consultants had been completed at a total cost of \$10,481. He stated that an adequate cost system, inventory control, and standard practice procedures were established, based on the study and services from the firm of McClure, Hadden and Orman.



Architect Woehrl

New CUNA Supply Cooperative Board. Back Row: R. L. Mansfield; H. E. McArthur; John Ryan; H. B. Yates; F. D. Read; B. F. Seales. Front Row: M. A. Stepherson, Jr. (treasurer); M. A. Pottiger (secretary); L. R. Nixon (President); A. J. Snell (vice-president); R. T. Lagerman.







DISCUSSING CREDENTIALS. Facing Camera: A. J. Snell, L. R. Nixon, M. A. Pottiger, E. Eich, W. H. Burke. Back to Camera: H. Claywell.

### New Credit Union Book

Announcement was made that a new book by Dr. John Croteau on credit unions, will be received from the printers this summer.

### Sales

It was reported that CUNA Supply Cooperative has made appreciable gains during the past year as indicated by the following figures. The net sales at the end of the past fiscal year were \$706,478 compared to a year ago of \$549,000 or an increase of 28.66%. Net proceeds were up 6.9% from 6% or \$49,000. Canadian sales totaled \$80,681.

### Our Duty

LET US DO our duty in our shop or our kitchen; in the market, the street, the office, the school, the house, just as faithfully as if we stood in the front rank of some great battle and knew that victory for mankind depended on our bravery, strength and skill. When we do

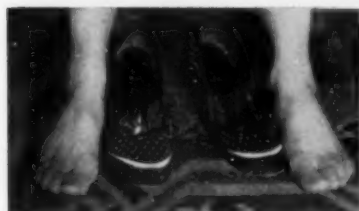
that, the humblest of us will be serving in the great army which achieves the welfare of the world.

### Wit And Wisdom

•• The measure of a man's mentality is the importance of the things he will argue about.

RIGHT: Counting Election Ballots

BELOW: Tired feet



# What About It?

**Write us about your credit union problem or  
your version of the problems and answers that follow**

## Sale of U.S. Bonds

As the treasurer of a federal credit union we are about to sell our United States Treasury bonds. How do we handle this account?

ANSWER:

There are four accounts involved in this transaction: (1) Cash, (2) U. S. Government Obligations, (3) Income from Investments, and (4) Gain on Sale of Bonds and Securities.

For the purpose of computing such gains, the cost at the date of purchase of the securities (exclusive of accrued interest purchased) and the net proceeds of the sale (exclusive of accrued interest at the date of sale) will be used. Each type or issue of security comprising the original purchase should be considered as a unit in determining loss or gain at the time of sale.

The accounts mentioned above will all be used as set forth in the Journal and Cash Record. However, the account Gain on Sale of Bonds and Securities will be credited in Column 26 of the Journal and Cash Record for any gain realized from the sale of bonds and securities. Entries in this account are posted individually from the miscellaneous columns, numbers 25 and 26 of the Journal and Cash Record to the General Ledger. An example:

A 3¼% United States Treasury bond, was purchased at par of \$1,000 in June, 1955. On March 31, 1956, this bond was sold at 103 plus accrued interest of \$6.25 less commissions of \$1.25:

Dr.—Cash (Account 104) (Column 6)	\$1,035.00
Cr.—U.S. Government Obligations (Account 107) (Column 26)	\$1,000.00
Cr.—Income From Investments (Account 405) (Column 26)	\$ 6.25
Cr.—Gain on Sale of Bonds and Securities (Account 406) (Column 26)	\$ 28.75

Any loss on the disposition of bonds is debited to Expense Control (Losses on Sale of Bonds 202-19).

## Other Assets Account

For what purpose do we use the other assets account in the General Ledger?

ANSWER:

The other assets account is used for transactions involving assets for which there is no specific asset account provided. For example: Deposits paid on safety deposit box keys for utility services; collection and court costs advanced on loans which have not been charged for reserve; property owned by the credit union for which no other account is provided; checks returned by the bank pending a prompt determination of their collectability.

Each entry in this account should be adequately explained in the Journal and Cash record for Federal Credit Unions and in the book of original entry in Provincial and State credit unions; and also in the General Ledger Account.

## Extension of Loans

Is it true, as stated in the April, 1956, issue of THE CREDIT UNION BRIDGE, that in federal credit unions renewal of loans with no money added, would be limited to

36 months for the consecutive period of both notes?—Jack Dublin, Director of Field Services, Michigan Credit Union League.

ANSWER:

Bridge was mistaken.

When a note is recast or an extension agreement is given, a new contract has been negotiated. The new contract will run for the next 36 months. Such refinancing should not indicate subterfuge or intent to circumvent the law.

## Board Quorum

Can a meeting of the board of directors of a Federal credit union be legally held if both president and vice-president are absent, or if one of them is present and leaves early, can the meeting continue with a quorum present? — T. Crabb, Stamford, Connecticut.

ANSWER:

The Federal Credit Union by-laws in Article VII, Section 6, specify: "A majority of the number of directors specified by the by-laws shall constitute a quorum for the transaction of business at any meeting thereof; but fewer than a quorum may adjourn from time to time until a quorum is in attendance. Written notice of an adjourned meeting need not be given the directors."

In answer to both parts of your question, it is not necessary to have the president and vice-president at the meeting, where a quorum is present, to conduct business of a Federal credit union.

## CUNA Bonding Department Questions and Answers

(These are selected and edited questions from letters and meetings answered by the staff of the CUNA Bonding Department.)

What saving, if any, is afforded by renewing the 100% Form 576 blanket bond on the three-year basis?

ANSWER:

A credit union after the first year of operation may purchase the 100% Form 576 blanket bond program on a three-year basis at 2½ times the annual premium, a saving of about 16%. The total three-year premium is due and payable upon receipt of invoice.

With the 100% coverage on the three-year basis there will be no increase in cost and maximum coverage is in effect regardless of the growth of the credit union during the three-year period.

**If your Credit Union  
has paid employees . . .**

**send for this  
free booklet,**

**"A Retirement  
Program for Credit  
Union Employees"**

You can improve your employees' security, morale and performance through this tax-exempt retirement plan designed for credit unions and approved by the U. S. Internal Revenue Service.

Mail the coupon today!

**CUNA RETIREMENT SAVINGS FUND**  
FILENE HOUSE, MADISON 1, WISCONSIN

Please send us the free booklet and application form

NAME \_\_\_\_\_

CREDIT UNION \_\_\_\_\_

ADDRESS \_\_\_\_\_

# NAMD Studies Modern Management

By Paul J. Roberts

THE NATIONAL ASSOCIATION of Managing Directors, an organization consisting of league managing directors and field personnel, held its annual conference May 4, through May 7, 1956, at the Moraine Hotel in Highland Park, Illinois. Approximately ninety members, representing the various leagues throughout the United States and Canada, attended these sessions.

The group took part in a one and one-half day institute on the subject of Modern Management. This institute was conducted by Mr. Tom Nelson, President of Executive Training, Inc., of New York City, who demonstrated to the conferees many of the principles, practices and functions of modern management.

The Saturday afternoon sessions of the conference were devoted to workshop discussions based on the various types of educational and training programs which many of the state and provincial leagues are currently planning and executing.

Another program feature was a "Group Leadership" course presented by Mr. John Hawley, a representative of the University of Michigan's Human Relations Divi-

sion. This session emphasized the use of role playing as a method of motivating and educating people.

The size of the operations and the magnitude of the services which comprise the Credit Union Movement today require that ideals be firmly supported by know-how. The league managing directors and their staffs have a major responsibility to develop improved methods of credit union promotion, education, and management. By holding educational institutes of the kind described above, the NAMD is helping league managing directors and their staffs to fulfill their responsibilities more effectively.

The members of the NAMD were able to obtain a considerably greater knowledge of the services of CUNA, CUNA Mutual, and CUNA Supply through a joint meeting with National Association representatives.

## Shareholders Are Human

MEMBERS ARE HUMAN in good times or bad, there is one "business practice" which will always pay high dividends,—the practice of being friendly with members. Here is what one successful credit union manager places in the hands of every employee and official:

In a pleasant smile, a friendly little act, an effort to help, a small courtesy, these things go far with members—for members, you know, are human.

The biggest credit union's shareholder is human. The littlest drug-store's littlest customer is human. You and I are human.

Let us all recognize this fact. Let us try to say the right thing. Let us try to do the right thing. Let us be friendly with our members—not just on special occasions—but all the time.

Yes, members are human, all of them—a little exacting at times, just as you and I are apt to be, but all things considered, pretty good "folks" just the same.

Think of them kindly, overlook their coldness or apparent discourtesy, they too have their difficulties. Smile with them when they smile, sympathize with them when they frown. Remember, each is a unit that helps make the world we live in.

Be courteous — be kindly — be friendly.

Yes, members are wonderful people and will appreciate the full warmth of your friendship as well as the services afforded them by the credit union. Therein lies an opportunity.

—Adapted from THE MARK TIMES.

## Wit And Wisdom

••An opportunist is a man who, finding himself in hot water, decides he needs a bath anyway.

*Pictured below are the officers of the NAMD (National Association of Managing Directors), re-elected at the NAMD May meeting at the Moraine Hotel, Highland Park, Illinois.*

*Left to right: F. L. Andrews, president (Florida); R. J. Ingram, secretary (Ontario); F. S. White, second vice-president (Washington); T. L. Landers, treasurer (District of Columbia); and P. J. Roberts, first vice-president (Missouri).*





# The Way I See It

## Supervisory Committee Failures

TO: CUNA LIAISON COMMITTEE

For some time we have been concerned with the apparent lack of effectiveness in the internal audits of Federal credit unions by the supervisory committee. Unfortunately, the failures become more apparent than the successes so that the general effectiveness of the committee may be better than it appears.

It does seem, however, that each time we discover fraud and dishonesty extending over a long period of time, we also discover that the supervisory committee has failed to fulfill its duties and responsibilities and thus has contributed to the commission of the crime and added to the amount of embezzlement.

While it is reassuring to find that the credit union carries a sufficient amount of bond coverage, we must also be aware that continued adverse experience will lead to higher bond premiums. Most tragic, of course, are the cases where the surety coverage is not adequate and an actual loss is suffered by the members. It must be considered also that each case is a reflection upon all credit unions.

This problem is not exclusively a credit union problem. However, we can find little consolation in the fact that financial institutions suffer from the same hazard.

The principal reasons for inadequate performance by the supervisory committee seem to be:

1. Lack of ability
2. Lack of interest
3. Lack of knowledge and/or training
4. Lack of compensation as an incentive

There appears to be no solution for those committees in categories 1 and 2 except to replace the incumbents. For those who have the interest and ability but lack training there is very much that can and should be done, but it must be done in an adequate manner and very soon. It will be no small task and will require the combined interest and cooperation of all segments of the credit union movement.

Many credit unions because of size cannot rely upon the voluntary unpaid committee and have engaged professional auditors to supplement the committee activity. The large majority of Federal credit unions have not yet assumed proportions to justify this type of assistance and so long as new credit unions are organized this group may continue to be the predominant segment of the movement.

We in the Bureau feel that this problem should have mutual consideration in order to find a satisfactory solution. We stand ready and anxious to cooperate with CUNA and present it to the Liaison Committee for its consideration.

—J. Deane Gannon, Director, Bureau of Federal Credit Unions.

Please send your ideas or an account of your experiences to: "The Way I See It Column" of THE CREDIT UNION BRIDGE.

## Is Insurance Necessary?

TO: THE EDITOR

No doubt you will receive many rebuttals to the letter, "Not Interested in Insurance" which appeared in the March issue for it certainly begs the question on many points. In three very short paragraphs it appears that the writer:

1. Is failing to give credit union service to every eligible member. What credit union treasurer would consider he has done a satisfactory job until not only every employee, but every member of his family is an active credit union member?
2. Seeks only justification for bad policy, and not an answer to his "problem". Else, why withhold educational material from his members? Is he afraid they might not agree with his concepts of credit union service?
3. Values credit union services only in relation to their cost in money and not in relation to the needs of the individual member.

I believe there are at least three clinchers which every credit union office should have posted to the wall where every one can see them, under the heading:

"Tain't Necessarily So" Department

1. "Our Credit Union is Different Than All Other Credit Unions"
2. "Our Members want—"
3. "Our Members Don't Want—"

If our "Not Interested" gentleman will review the records of many successful credit unions and also those of limited service, he will undoubtedly find a lot of truth in the maxim, "It surely must follow as the night the day, that one bad credit union policy leads to another."

He might also be interested to know that in a small credit union with which I am associated, the first Loan Protection claim paid off a \$2,200 debt on an automobile owned by a 23 year old girl who died of cancer contracted immediately after the loan was made and before the first payment was due.

—Donald J. McKinnon, Treasurer, Ford Dearborn Federal Credit Union, Dearborn, Michigan.

## Save Two Thirds Of Cost

TO: THE EDITOR:

The following excerpt, taken from the newsletter which we publish monthly, seemed to arouse considerable favorable comment from the membership. Thought perhaps you might care to pass it on in some issue of THE BRIDGE:



"The other morning on my way to work the voice on my car radio enthusiastically informed me that I could borrow \$100 from the . . . Loan Company for 3 months at a mere total cost of only \$6.00!! 'Beat this, if you can', the announcer said . . . well, you certainly can! A loan of \$100 from the Gold Medal Credit Union for a period of 3 months will cost you exactly \$2.00 . . . which is just one-third of the cost of the . . . Loan Company 'bargain' rate."

We might also take this opportunity to express our appreciation for THE BRIDGE. It is an indispensable part of our activity.

—S. Sykes, Treasurer, Gold Medal Credit Union, Park Ridge, Illinois.

## Wise Men Say

- Faith is the root of good deeds. But a root that produces nothing is dead.

The Credit Union Bridge



# EASY AS PIE (almost)



*Even beginners soon do Credit Union accounting quickly with the Burroughs Sensimatic Accounting Machine that's easily adapted to any Credit Union accounting system.*



## EASY AND FAST

Simplified motor bar selection, fast one-hand form insertion, automatic carriage movement, and easy key depression, are just a few of the features that make the Sensimatic easy to operate. Systems built around Sensimatics eliminate all unnecessary duplications.



## VERSATILE

The Sensimatic posts share and loan ledgers with either passbook or statement, automatically calculates and posts paid-in shares, computes share months for dividend calculations. To convert to an efficient adding-subtracting machine, just flick a key.



## EFFICIENT

And best of all, the many Burroughs Sensimatic hour- and dollar-saving advantages can be yours *whatever* your special payroll or window accounting plan. Sensimatic forms are approved by the Bureau of Federal Credit Unions and the C.U.N.A.

WHEREVER THERE'S BUSINESS THERE'S



**FREE**—the coupon will bring you more information, or, for a demonstration without obligation, call our nearest office. It's listed in your phone book.

July, 1956

BURROUGHS CORPORATION • Detroit 32, Michigan  
(In Canada, Burroughs Adding Machine of Canada, Ltd., Windsor, Ont.)  
Please send me a copy of the booklet, "For the First Time—Low-Cost Speed and Efficiency in Credit Union Accounting."

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ ZONE \_\_\_\_\_ STATE \_\_\_\_\_

TITLE \_\_\_\_\_

CREDIT UNION \_\_\_\_\_ CU-93

# Why Members Borrow

**N**EA Employees Federal Credit Union of Washington, D. C., recently sent a questionnaire to all persons in its field of membership. Nearly 50% of the questionnaires sent out were returned by 33 nonmembers and three-fourth of the active membership. The 233 replies show:

- Relatively little borrowing from those holding major technical or administrative positions as compared with borrowing by stenographers, typists, and maintenance staff.

- Relatively less borrowing among those with salaries above \$5000 than those with salaries below that amount.

- Relatively more borrowing by single males than by single females; more borrowing by married females than by married males.

- Of those with salaries below \$3000 about 1/3 have borrowed; in the salary range of \$3000 to \$4999, about 1/4 have borrowed; in the \$5000 to \$7999 bracket, slightly less than 1/4; and in the above \$8000 group, 1/2 have borrowed.

- How much was borrowed at one time? On the average, about \$275 among those who answered the questionnaire. One in 6 borrowed \$400 or more; 1 in 12 borrowed less than \$100 at any one time.

- Of those who have not borrowed from the credit union, 13 percent "just don't believe in borrowing"; 76 percent said they "didn't need to borrow."

- Other reasons for not borrowing: 5 in 100 said that they could get lower rates at a bank; slightly less than 5 in 100 "preferred not to tell fellow employees about their debts" (Several were emphatic in saying that they did not think their problems would be discussed in enough privacy and that their borrowing would be held in confidence by those involved.)

- Should there be lower rates on loans of large amounts of money? Forty-nine percent said that lowering interest rates would not affect their borrowing (or not borrowing); 51 percent said that they were more likely to borrow if the rates were lower.

- Would lower rates on larger loans be "unfair" to other members of the credit union? Nearly 2/3 of the replies were "no."

- What are some of the "good" loans for relatively small amounts of money? The largest percents among the replies were

73 percent—furniture  
66 percent—refrigerators  
64 percent—washing machines  
49 percent—tools  
42 percent—TV sets  
23 percent—clothing

- What are some "good" loans in fairly large amounts? The leading percents:

72 percent—to remodel house  
67 percent—to pay college expenses  
63 percent—to buy a house  
62 percent—for extension courses  
62 percent—to buy a lot (for house)  
57 percent—to buy a car

- Only 38 percent voted "summer vacations" as a reason for borrowing; 26 percent favored brief holiday loans (Christmas, etc.).

- Should our credit union encourage members to borrow so as to build up their insurance coverage? One in 10 just couldn't decide; the remaining replies split with 45 percent "for" and 55 percent "against" the idea.

Here are the conclusions which the education committee of this credit union draws from the questionnaire returns:

- A lot more could be done to encourage borrowing among those with salaries of \$5000 or more.

- About 1 in 8 of those responding might be helped to adopt a somewhat less "I'm agin' it" attitude with respect to borrowing.

- The possibility of a lower interest rate appeals to 51 percent of the respondents (and, if adopted, might approximately double the potential borrowers).

- Some "good," relatively small loans would be for furniture, refrigerators, and washing machines.

- Some "good" but somewhat large loans would be for remodeling a house, paying for college attendance, or buying a house.

- Either the borrowing-to-increase-your-insurance idea is "all wet" or else a lot of folks need to have it explained again.

## Farm Mechanization

FARM MOTOR trucks numbered less than 1,000 in 1910, but had reached 2.5 million by 1953 and nearly a million of these have been added since 1946. Between 1910 and 1952, the number of farm automobiles increased from around 50,000 to 4.4 million; grain combines from 1,000 to 887,000; corn pickers from none to 588,000; and farms with milking machines from 12,000 to 686,000.

—Twentieth Century Fund.

Please furnish us for the next..... months..... reprints of THE FAMILY CREDIT UNION DIGEST.

Please furnish us each month until notified..... reprints of THE FAMILY CREDIT UNION DIGEST.

.....Credit Union

Address .....

City .....

State .....

Name and Title .....

## The Family Credit Union Digest

CUNA's Monthly Family Paper

Helping Member Families With Financial Problems  
And Better Understanding Of Their Credit Union Services

REPRINTS MAY BE ORDERED FOR  
MEMBERSHIP DISTRIBUTION  
AT \$2.00 PER 100

THE CREDIT UNION BRIDGE

P. O. Box 431  
Madison 1, Wisconsin

P. O. Box 65  
Hamilton, Ontario

# FAMILY DIGEST



Volume 21

P. O. Box 431, Madison 1, Wisconsin; P. O. Box 65, Hamilton, Ontario

Number 5

## Do You Always Get The Most For Your Money?

LIKE MOST CAREFUL, frugal people you perhaps shop wisely for good bargains. Do you, however, waste the money and the time you so carefully spend in shopping, by paying higher installment finance charges?

When you purchase on an installment plan, do you look carefully to determine what charges are included in the total amount which you will be called upon to pay? Do you multiply the amount of the payments by the number of payments and compare the result with the cash selling price? If you do, you may have discovered the hidden charges such as investigation fees, service fees, interest, insurance charges, etc., added to the original cost of the merchandise which you are buying. Further charges would usually be added in the event that you should need to change the terms of repayment. At this point it will pay you to investigate the cost of a loan from your credit union.

There are differences in the cost of money just as there are differences in the cost of refrigerators. When you shop and compare, include money on your list.

Stop in at your credit union and discuss your needs with our trained staff. Your credit union is interested in you and will seek to keep the total repayments at a practical level. You may be surprised at the amount you can save by borrowing at the credit union and by paying cash for your purchases.

Note also: Loans made by this credit union are in most cases insured against death or total disability on the part of the borrowers. In the event of death or total disability of any borrower eligible for insurance, the entire unpaid balance of his loan will be covered by our insurance carrier. This is one obligation that need not be a burden on your estate.

You are cordially invited to stop in and discuss your needs.

—California State Employees' Credit Union No. 9.



## Growing With Your Child—Let Him Learn About Money

RECENTLY I OVERHEARD a father talking to his eight-year-old son as they were walking out of a dime store.

The father was saying, "Why can't you spend your money for something useful for a change? Why on earth do you want to waste your whole allowance on that thing? It's no good—why did you buy it?"

The boy started to answer, "But, dad, all the kids have them, and . . ." but before he could finish his father said, "Well, if you can't handle money any better than this, we'll

through this business of learning.

Certainly, every child must learn to handle money.

Usually by the age of five he can count money and understand a buying transaction. It is true that at first he might handle it like a new toy. He will lose some of it, and he won't realize its value.

But he is ready to handle small amounts of money by himself. This is the time to start his allowance.

He needs a dependable, regular supply of money. It does not need to be and should not be large.

This is the stage when you are going to be afraid lest the child "waste" money. Your tendency will be not to trust him.

But remember the child is bound to make unwise choices and make mistakes of other kinds. Your interference will head off some of the mistakes, but it will keep the child from getting some of the experience he needs.

How can he profit from mistakes if he is not allowed to make any?

Let him spend his allowance as he likes. Saving for a distant goal can't mean much to a child.

As he gains experience in spending, the child will learn to look ahead. He will find out he has to save one week for the things he wants the next week. He will learn saving in that way.

If you don't worry too much about the child's mistakes, you will take pleasure in watching him gain in skill.

—Institute of Child Welfare, University of Minnesota.



CUNA Supply Poster 8/56

have to stop your allowance until you learn to spend it better."

Ever have a conversation like this at your house?

If you have, why not think

## The Family Credit Union Digest

### What Is A Credit Union League?

A CREDIT UNION LEAGUE is a voluntary association of credit unions operating within a given state or province. Its purpose is to organize additional credit unions, assist existing credit unions with all operational problems, promote necessary and favorable legislation on the state, provincial as well as on the national level, and protect credit unions from possible improper rulings and actions by the supervisory authority.

The league is governed by its member credit unions. In most leagues all credit unions, regardless of size and type, have equal voting power. Representatives of member credit unions meet annually and elect from their own number a league board of directors. The number of board members varies in each league—some have as few as five, others as many as fifty. The board of directors of the league usually elects its own officers—president, vice-president, secretary, treasurer, managing director and national director(s). No member of the league board of directors receives a compensation for his board service. It is the general practice for the league to pay the expenses of board members while attending meetings on behalf of the league.

Leagues are financed by dues assessed against the individual member credit unions. The amount of dues varies and is established at each annual meeting by the vote of

the representatives of the member credit unions.

#### Fifty-Eight Leagues in Hemisphere

Today there are 58 credit union leagues—46 in the United States, 9 in Canada, 1 in Hawaii, 1 in Jamaica and 1 in Puerto Rico. These leagues are united into one international association known as the Credit Union National Association, Inc. The league acts as the central dis-

tribute more effective credit union service.

Membership in your league affords your credit union the opportunity to participate and contribute to the growth, development and expansion of the credit union movement.

### Fly-By-Night Salesmen

WARNING from Better Business Bureaus:—Don't sign that "receipt" for a watch which the salesman wants you to keep until Saturday, unless you intend to buy it. What you are probably signing is a purchase contract with a wage assignment attached. It may not be "merely a receipt". (Some workers have been embarrassed to find their paychecks tied-up with a garnishment on payday as a result of these transactions.)

### Cross Country Hike

Hiker: "Can I catch the 6:45 train if I cut through this field of yours?" Farmer: "If my bull sees you, you might catch the 6:15." —*The Armour Star*.

### Wit And Wisdom

•• Nobody worries any more about two-dollar bills being unlucky. They're too handy for buying one dollar's worth of something.

—Barney Barnes

•• One of the heaviest loads you can carry is a bundle of bad habits.

•• You cannot train yourself into a character—you must hammer and forge yourself one.



tributing agency for ideas and information. It correlates and coordinates the effort and experience of all member credit unions to cre-

### Question of the Month

#### All of Us Can Organize a Credit Union

Who is Keith Nosack?

ANSWER:

This is Keith Nosack, winner of the 1955 Volunteer Organizers Contest. He organized 14 credit unions during the past fiscal year. Nosack, who lives in Midvale, Utah, is treasurer of the Jordan Credit Union there.

Most of our credit unions were organized by volunteers. Most of them have volunteer officers who serve without pay, and all of them are directed by boards who volunteer their services. A community spirit of these volunteers made the credit union movement what it is today. Mr. Nosack received a check for \$100 and a trip with expenses paid to the Credit Union National Association annual meeting held in Milwaukee this year. Mr. Nosack says, "I haven't sold credit unions—I have merely had the privilege of telling the credit union story to a few groups of people and the story has sold itself."

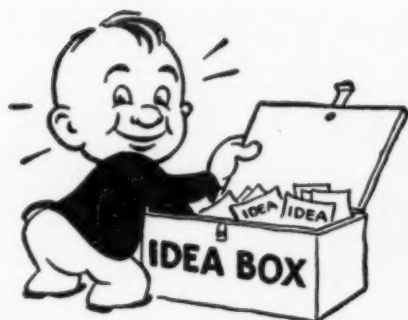
You too, can organize a credit union. For information on this contest or how to organize a credit union,



Keith Nosack

contact your treasurer in your credit union and/or write a letter or postcard to the Managing Director, CUNA, Box 431, Madison, Wisconsin.





## Idea Exchange

### The Credit Union Bridge suggests:

1. that you mark and use the ideas which attract you.
2. that you adapt them to conversation, pay inserts, circulars, blotters, posters, and house organs.
3. that illustrations be reproduced by tracing, photo-offset, or photo engraving.
4. that each release contains full directions as to where and when credit union service is available.

Please send copies of all your publicity material to The Credit Union Bridge. Your participation in the Idea Exchange is helpful to other credit unions and sincerely appreciated.

### An Experience Ends Debate On Disability Coverage

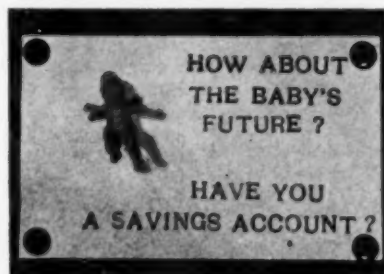
Since the inception of our credit union in 1950, the topic of loan protection insurance has been brought up several times, both pro and con. It has been pointed out that the credit union is carrying this protection unwisely. In order to substantiate our position I would like to cite a recent claim that was submitted and approved.

Fred Morris, Shipping Department, purchased a new auto just prior to his disability. Under doctor's orders, Fred was admitted to the hospital in April 1955. His wife continued to make payments until January, when it was decided that a claim should be filed with the CUNA Mutual Insurance Society for the balance due of \$1,800. On February 6, we received a claim check in the amount of \$2,280, which not only paid the balance owing, but also refunded all payments made after Fred was admitted to the hospital. When presenting Mrs. Morris with the paid-in-full note, along with the pink slip and a check

in the amount of \$466 for payments made after the date of disability, she stated that words could not express the gratitude she and Fred feel for the opportunity of belonging to a credit union and for the help it has given.

We feel that loan protection insurance, which covers all insurable loans at no cost to the borrower, is well justified.

—Dick Rollins in THE MISSION BELL.



### College Plan

Look over this credit union college plan for your children.

A \$2.50 baby gift from the credit union starts it. Your weekly contribution of \$1.00 into the child's share account will add up to \$935 in eighteen years. Dividends of approximately 3.6% will amount to \$371.83 during this period. Total share account balance after eighteen years under the college plan will be \$1,309.33. There is a detailed breakdown, showing how the share balance grows.

	Shares (Savings & Dividends)	Approximate Dividends at 3.6%	Life Savings Insurance Coverage
At birth	\$ 2.50		
1 year	53.30	.90	54.40
2 years	106.40	2.78	109.18
3 years	161.18	4.79	165.97
4 years	217.97	6.80	224.77
5 years	276.77	8.93	285.70
6 years	337.70	11.13	348.83
7 years	400.83	13.41	414.24
8 years	466.24	15.77	482.01
9 years	534.01	18.23	552.24

10 years	604.24	20.71	624.95
11 years	676.95	23.34	700.29
12 years	752.29	26.05	778.34
13 years	830.34	28.89	859.23
14 years	911.23	31.79	943.02
15 years	995.02	34.82	1,000.00
16 years	1,081.84	37.91	1,000.00
17 years	1,171.75	41.07	1,000.00
18 years	1,264.82	44.51	1,000.00

It really pays. Enroll today.

—S. F. Fireman Federal Credit Union, San Francisco, California.

### Are You A Member of the Credit Union?

If you are not, come in and be a member.

The credit union has only one reason for existing and that is to benefit its members by helping them to save money regularly, safely, and with expectation of a reasonable dividend. The credit union is also here for saving money on items that are purchased by members by lending them money to pay cash for an article, or financing the balance of a purchase at a moderate interest rate.

### ALL YOURS

This credit union belongs to the members. It does business only with the members and has no outside stockholders to participate in its earnings. Its capital is used for loans to members and the earnings from these loans are returned to the depositors in dividends.

With a 25 cent deposit you can be a member of the credit union. For as little as 25 cents deducted from your paycheck each month you can start a savings account.

Why don't you join and receive the full benefits of its services (loans, savings, dividends, financial counselling, and insurance protection on loans and life savings with few exceptions).

The credit union is as close to you as the telephone and the representative in YOUR facility will be glad to be of assistance.

Join and see for yourself how much can be gained for you during the coming year.

—"K" COVERAGE, California.

### Wit And Wisdom

•• One reason opportunity isn't recognized more often is that it goes around disguised as work.  
—Key Notes.

BELOW: Contributed by Steinberg Employees Credit Union, Montreal, Quebec.

Credit Union CORNER

LE COIN DE

l'Union de Credit

## Coming Events

August 9-10:00 A.M. Joint Meeting: CUNA Executive Committee, CUNA Mutual Board, CUNA Supply Board, Madison, Wisconsin.  
August 9-2:00 P.M.: CUNA Supply Board.  
August 10-10:00 A.M.: CUNA Mutual Board.  
August 11-9:00 A.M.: CUNA Executive Committee.  
September 14-15 — Wisconsin Credit Union League annual meeting, Loraine Hotel, Madison, Wisconsin.  
September 21-22 — Indiana Credit Union League annual meeting, Claypool Hotel, Indianapolis, Indiana.  
October 13 — Maine Credit Union League annual meeting, Lewiston, Maine.  
October 19-20 — Florida Credit Union League annual meeting, Hillsborough Hotel, Tampa, Florida.  
November — California Credit Union League annual meeting, San Jose, California.  
November 15-16-17-18 — Missouri Credit Union League annual meeting, Sheraton-Jefferson Hotel, St. Louis, Missouri.  
February 28-March 1-2, 1957 — Ontario Credit Union League annual meeting.  
May 24-25-26, 1957 — Iowa Credit Union League annual meeting, Hotel Martin, Sioux City, Iowa.


## Founders Club

### New Members

SINCE OUR LAST report the following new members have been admitted to the Founders Club:

Mrs. Dora Wines, Helena U. S. Employees Federal Credit Union, Helena, Montana.  
Mr. Elmer E. Clausen, Clark Co. Teachers' Credit Union, Vancouver, Washington.  
Mr. C. J. Lemm, Motor Coach Employees Credit Union, Tacoma, Washington.  
Mr. J. J. Phelan, Catholic Credit Union, Yakima, Washington.  
Mr. Robert Van Dusen, Immaculate Conception Parish Credit Union, Cleveland, Ohio.  
Mr. Clifford M. Wiese, Mets Employees Federal Credit Union, Sioux Falls, South Dakota.  
Mr. W. A. Staley, Corpus Christi Telco Federal Credit Union, Corpus Christi, Texas.  
Mr. E. J. Lillevred, Great Falls U. S. Employees Federal Credit Union, Great Falls, Montana.  
Mr. Benjamin S. Peden, Greenfield Community Employees Credit Union, Power, Montana.  
Mr. Robert J. Brunson, West Side Auto Workers Federal Credit Union, Flint, Michigan.  
Mr. Horace Donaldson, National Casualty Employees Credit Union, Detroit, Michigan.  
Mrs. Patricia K. Brown, Long Beach General Hospital Federal Credit Union, Long Beach, California.

WORLD'S LARGEST POLICYHOLDERS' REPORTING SERVICE




**DUNNE'S**  
INSURANCE  
REPORT

Copyright, 1946, by Dunne's International Insurance Reports

**CUNA MUTUAL INSURANCE SOCIETY**

Madison, Wisconsin



**1956  
REPORT**

Policyholders' Rating, January 1, 1956,  
A+ (Excellent)

Mr. Fred J. Gibson, Butte R. R. Employees Federal Credit Union, Butte, Montana.  
Mr. Erwin K. Miller, Fort Peck Community Federal Credit Union, Fort Peck, Montana.  
Mr. Richard C. Prassel, Borden's San Antonio Federal Credit Union, San Antonio, Texas.  
Mrs. Mary Alexander, Anderson County Teachers Federal Credit Union, Palestine, Texas.  
Mr. Tomas D. Gomez, Our Lady of Guadalupe Lamesa Credit Union, Lamesa, Texas.  
Mr. George Spencer, Bakersfield City Employees Federal Credit Union, Bakersfield, California.  
Mr. Charles Robinson, Fresno Postal Employees Credit Union, Fresno, California.  
Mr. Arthur Pearl, Brock's Federal Credit Union, Bakersfield, California.  
Mr. James Carter, Bakersfield Postal Employees Federal Credit Union, Bakersfield, California.  
Mr. James Davenport, Postal Employees Credit Union, Jackson, Tennessee.  
Mr. William Pargeter, Rochdale Credit Union, Ltd., Woodstock, Ontario.  
Mr. Vic Page, Maxwell Employees Credit Union, Vancouver, British Columbia.  
Mrs. Mary Frehlick, St. Patrick's Credit Union, Vancouver, British Columbia.  
Mr. Cecil Taylor, Staley Credit Union, Decatur, Illinois.  
Mr. Reed Spafford, Safeway (S.L.C.) Employees Federal Credit Union, Salt Lake City, Utah.

## New California Fieldman



LUIS IJAMS was appointed to the position of field representative for the California Credit Union League in December of 1955.

Prior to his employment with the California Credit Union League, Mr. Ijams worked as a computer for the Western Geophysical Company in Santa Barbara, California; as an assistant auditor for the South Bay Daily Breeze in Redondo Beach, California; and for the Sierra Cop, Inc., in Pasadena.

Mr. Ijams was introduced to the credit union movement in 1936 when he joined his first credit union. Later he served from 1946-1949 as treasurer, member of the Credit committee, Supervisory Committee and Board of Directors of the Hyde Park Federal Credit Union of Chicago, Illinois. He was also associated with the Crown City Credit Union in Pasadena from 1951 to 1953.

He received his education at the University of Chicago, where he majored in Economics; at the Northwestern University, where he specialized in Business Administration; and at the U.C.L.A. and U.C.S.B.C. where he majored in Education.

Mr. Ijams is married and resides in the Los Angeles area.

## Volunteer Organizers' Contest Rules

1. You may enter the CUNA Volunteer Organizer Contest if you are a credit union member. The only restriction is that you may not enter if your regular employment involves responsibility for organizing credit unions. Employees

of the Credit Union National Association, and its affiliates, the Credit Union Leagues and supervising agencies are excluded.

2. The annual contest begins each March 1 and ends the following February 28.

3. The winner in the contestant who organizes the most credit unions in that period.

4. To enter the contest, write a letter or postcard to the Managing Director, Credit Union National Association, Box 431, Madison, Wisconsin. Tell him you want to enter, give your name and address and the name of the credit union you belong to. You will be sent a Volunteer Organizer's Kit, which will help you in your efforts. If you have already organized some credit unions during the current contest year, list them. You can enter the contest any time during the year.

5. Each time you organize a new credit union, please notify the Managing Director of the Credit Union National Association.

6. You are not limited to your own home state, province or territory in setting up credit unions. You can count any credit union you have organized anywhere, as long as it is chartered under a recognized credit union law. It must be organized by you in person, not by mail or by proxy.

7. At the end of the contest year (February 28) send in a complete list of all the credit unions you have organized. The books are kept open for an extra month (until March 31) so that all contestants may complete their records.

### AWARDS:

The winner. First prize goes to the contestant who has organized the most credit unions. It consists of two awards:

1. **Choice of:** A check for \$100; tuition fully paid (value \$130) to the School for Credit Union Personnel on the University of Wisconsin campus; a Lord Elgin or Lady Elgin wristwatch, suitably engraved.

2. **Choice of:** Expenses to attend the CUNA annual meeting; expenses to attend the School for Credit Union Personnel.

(In each case, expenses means transportation, room and meals.)

In the event of a tie, a choice in group 1 will be awarded to each tied contestant. The choice in group 2 will be awarded to the contestant whose newly organized credit unions rate highest in League affiliation, total Loan Protection Insurance contracts, total Life Savings Insurance contracts, total CREDIT UNION BRIDGE subscriptions, in that order. If after considering all these factors a tie still exists, each tied contestant will get both prizes.

The runner-up. Every contestant except the winner who has organized five or more credit unions will be awarded a check for \$50.

The field. Every contestant who organizes one or more credit unions will be awarded his choice of "Crusade" by Roy F. Berzengren, "The Poor Man's Prayer" by George Boyle or "Credit for the Millions" by Richard Giles.

Sign up now! Write a letter or postcard to Managing Director, CUNA, Box 431, Madison, Wisconsin.

*Classified*  
**ADS**

Cost per line ..... \$1.50  
6 successive times ..... 1.35  
12 successive times ..... 1.25

NO CHARGE to leagues or credit unions announcing openings for personnel or to offer significant items of used equipment for sale or to individuals wanting credit union employment. The right to reject any ad is reserved.

POSITIONS AVAILABLE AS FEDERAL CREDIT UNION EXAMINERS—Openings as credit union examiner with the Bureau of Federal Credit Unions are available in several locations in the United States.

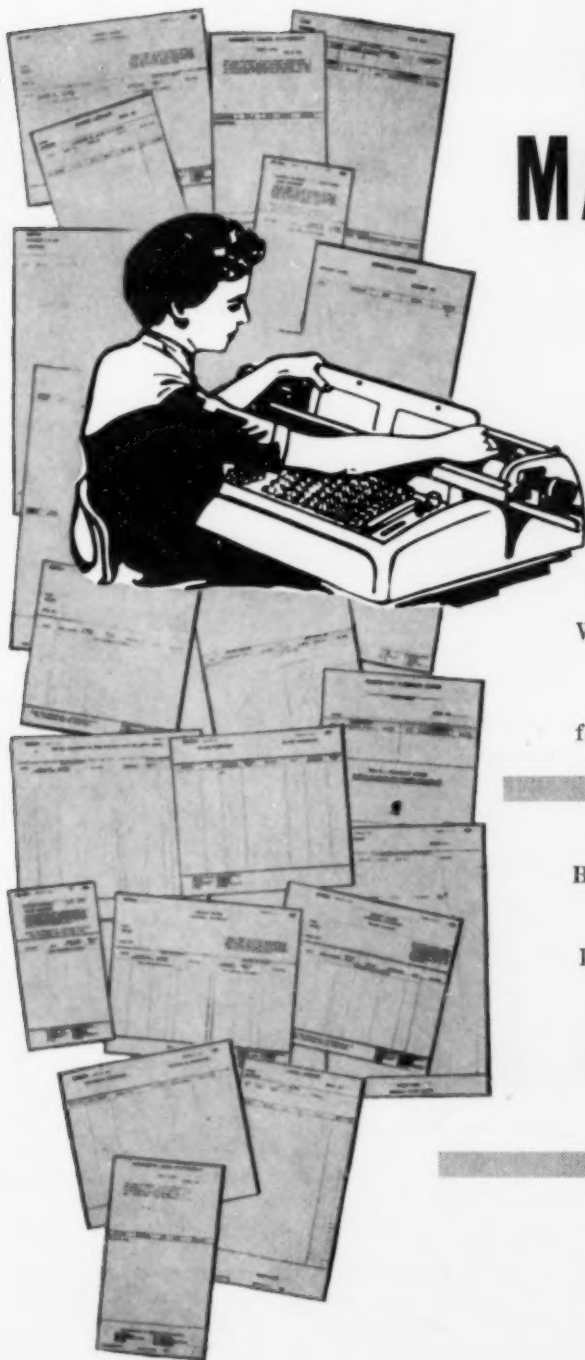
Three to four years of experience and/or college training in accounting are necessary to qualify. For further information write to the Bureau of Federal Credit Unions, Department of Health, Education, and Welfare, Washington 25, D.C.

NOW AVAILABLE: — MICROFILM COPIES OF THE CREDIT UNION BRIDGE from the first issue in June 1924 to the current annual volumes. Over 1500 libraries now have Microfilm Readers. These readers make it practical for credit unions or chapters to place microfilm copies in the library where all directors and committeemen and others may have ready access to them. Microfilm volumes are helpful to speakers, and also to committees that have the responsibility for annual meetings, membership drives, membership publicity and other projects. The microfilm copies (35 mm size) may be ordered from University Microfilms, 313 North First Street, Ann Arbor, Michigan; volumes 1924-34 (as published) for \$2.60; volumes 1-14 (as a complete set) \$12.00; and volumes 15-20 (as individual volumes) at \$1.60 each.

## The Credit Union Bridge

use the new **CUNA Supply catalog** to order

# ACCOUNTING MACHINE FORMS



Order direct from your own printers at CUNA Supply Cooperative, who save you mistakes and delays by handling only approved credit union forms!

Our new catalog includes a detailed listing of forms for the machines named below. We can also furnish any other special or standard forms to order, including carbon-interleaved forms of every description. Send us your problem.

---

Forms in stock for the following machines:  
**BURROUGHS**                      **UNDERWOOD**  
   **NATIONAL**

Forms printed to order of the following types:  
**SPECIAL FORMS**  
**CARBON-INTERLEAVED FORMS**  
**IMPRINTED FORMS**  
**STOCK MACHINE FORMS**

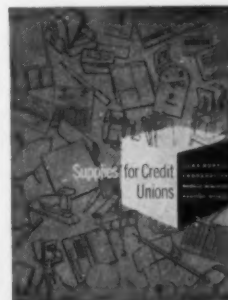
---

New catalogs  
available in Canada  
about October 1, 1956.

**CUNA Supply Cooperative**

BOX 333, MADISON, WIS.

BOX 65, HAMILTON, ONT.



**WHEN IN DOUBT,  
FILE A CLAIM!**



**S**OMETIMES credit unions fail to file claims that they ought to file.

This usually happens in connection with disability.

Granted, it isn't always easy to say when a member who has been sick for some time crosses the borderline and becomes "totally and permanently disabled" in the legal sense.

We can't give you any neat rule to apply to such cases. Every case has to be judged on its merits.

Don't *you* try to judge these cases — that's the big point we want to make. Let *us* judge them. You

should work for your members the way a good lawyer works for his clients. Claim everything that the law allows. If we ever have to reject a claim of yours, don't feel as if you have imposed on us. You haven't. You've been working for your members. That's your job.

We are proud of our reputation for dealing liberally with all cases. We get many compliments on it. *It's our justification as a company* — it's the main reason why credit unions took the trouble to establish their own insurance program. No other company places the welfare of the credit union movement first!

**CUNA MUTUAL INSURANCE SOCIETY**

**MADISON, WISCONSIN • HAMILTON, ONTARIO**